

STATEMENT OF ROBERT A. PECK
DEPUTY ASSISTANT SECRETARY OF STATE
BUREAU OF NEAR EAST AND SOUTH ASIAN AFFAIRS
DEPARTMENT OF STATE

BEFORE THE
SUBCOMMITTEE ON ASIA AND PACIFIC AFFAIRS
HOUSE FOREIGN AFFAIRS COMMITTEE

MARCH 5, 1987

MR. CHAIRMAN, MEMBERS OF THE SUBCOMMITTEE:

I AM PLEASED TO APPEAR BEFORE YOU TODAY TO ADDRESS THE SUBJECT OF OUR BILATERAL RELATIONSHIP WITH PAKISTAN, WITH SPECIFIC REFERENCE TO THE ADMINISTRATION'S PROPOSED PROGRAM OF ASSISTANCE AND THE CONSIDERATIONS WHICH HAVE PROMPTED US TO SEEK A RENEWED EXPRESSION OF SUPPORT FROM THE CONGRESS TO THE LONG-TERM SECURITY AND ECONOMIC WELL-BEING OF PAKISTAN.

IN RESPONSE TO THE CONCERNS THE SUBCOMMITTEE'S QUESTIONS HAVE ALREADY SUGGESTED, I WILL PUT PARTICULAR EMPHASIS ON THE FOLLOWING:

- O THE OVERALL CONTEXT OF OUR SECURITY RELATIONSHIP WITH PAKISTAN, PARTICULARLY AS IT RELATES TO THE CONFLICT IN AFGHANISTAN:
- O THE RELATIONSHIP OF OUR ASSISTANCE TO OUR INTERESTS AND OBJECTIVES IN PAKISTAN AND THE REGION, INCLUDING OUR SPECIAL INTEREST IN HEADING OFF A NUCLEAR ARMS RACE IN SOUTH ASIA.

- O OUR INTEREST IN PROMOTING NORMALIZATION OF RELATIONS AND EXPANDED DIALOGUE BETWEEN PAKISTAN AND INDIA; AND
- O OUR EFFORTS TO PROMOTE STABILITY AND THE FURTHER ELABORATION OF DEMOCRACY IN PAKISTAN.

MR. CHAIRMAN, AS SECRETARY MURPHY TESTIFIED LAST WEEK, OUR RELATIONSHIP WITH PAKISTAN GOES BACK A LONG TIME, TO THE EARLIEST DAYS OF ITS LIFE AS AN INDEPENDENT NATION. THE RELATIONSHIP HAS HAD ITS UPS AND DOWNS, BUT TODAY IT IS ON VERY FIRM GROUND AS WE CONTINUE TO DEVELOP AND EXPAND OUR CLOSE PARTNERSHIP. OUR POLICIES SUPPORT THE GOAL OF A SECURELY INDEPENDENT AND PROSPEROUS PAKISTAN -- A GOAL WHICH IS IMPORTANT BY ITSELF, AND WHICH ALSO SERVES OUR BROADER REGIONAL INTERESTS AS WELL.

WE HAVE A RIGHT TO FEEL PROUD OF THE CONTRIBUTION OUR PARTNERSHIP WITH PAKISTAN HAS ENABLED US TO MAKE TO THE GROWTH AND EVOLUTION OF THIS KEY ISLAMIC NATION OF NEARLY 100 MILLION PEOPLE OVER THE PAST FORTY YEARS. THANKS TO THE HARD WORK OF ITS PEOPLE, AND THE SUPPORT OF FRIENDS SUCH AS THE UNITED STATES, PAKISTAN TODAY IS A SUCCESS STORY IN SOUTH ASIA:

-- INDEPENDENT AND FIRMLY LEADING THE OPPOSITION OF FREE MEN EVERYWHERE TO SOVIET OPPRESSION IN AFGHANISTAN;

-- MAINTAINING A SOLID SIX PERCENT GROWTH RATE AND EXPORTING FOODGRAINS FOR THE SECOND CONSECUTIVE YEAR;

-- WORKING CLOSELY WITH US, THE UN, AND OTHER GOVERNMENTS TO STOP ILLICIT NARCOTICS PRODUCTION AND TRAFFICKING;

-- PRESSING FORWARD TO EXPAND ITS DIALOGUE AND IMPROVE ITS RELATIONS WITH INDIA; AND,

-- EVOLVING VITAL DEMOCRATIC INSTITUTIONS FOLLOWING AN EXTENDED PERIOD OF MARTIAL LAW AND EMERGENCY RULE.

IN 1981, THE UNITED STATES AND PAKISTAN, IN RESPONSE TO THE SOVIET INVASION OF NEIGHBORING AFGHANISTAN, AGREED ON A MULTI-YEAR PROGRAM OF ASSISTANCE TOTALLING \$3.2 BILLION. OUR PRINCIPAL AIM AT THE TIME WAS TO GIVE PAKISTAN THE CONFIDENCE IN ITS SECURITY, IN ITS CONTINUED DEVELOPMENT, AND IN ITS CONVENTIONAL MILITARY FORCES TO ENABLE IT TO STAND UP TO SOVIET PRESSURES FROM AFGHANISTAN.

WITH AMERICAN SUPPORT, PAKISTAN HAS GROWN STRONGER AND MORE SECURE IN THE INTERVENING YEARS, WHILE CONTINUING TO PURSUE POLICIES WHICH HAVE KEPT THE IDEA OF AFGHAN FREEDOM ALIVE. SIX YEARS AGO THE CONGRESS WAS ASKED TO TAKE ON FAITH THE TWIN PROPOSITIONS THAT PAKISTAN WOULD HAVE THE COURAGE TO STAND UP

OVER TIME TO SOVIET INTIMIDATION AND THAT THE AFGHAN PEOPLE, LIKE THEIR FOREBEARS, WOULD NEVER ACCEPT A FOREIGN OCCUPATION, EVEN ONE RACKED UP BY THE TERRIBLE WEAPONS OF MODERN WARFARE. WE RETURN TO THE CONGRESS THIS YEAR CONFIDENT THAT THE RECORD SPEAKS FOR ITSELF. WE HAVE KEPT OUR COMMITMENTS TO PAKISTAN AND TO THE AFGHAN PEOPLE, AND THEY, IN TURN, HAVE KEPT THEIR OWN COMMITMENTS TO THEIR NATIONAL TRADITIONS, THEIR FUTURE GENERATIONS, AND TO THE VERY CONCEPT OF FREEDOM ITSELF.

THE ENTERPRISE ON WHICH WE EMBARKED SIX YEARS AGO REMAINS UNFINISHED, BUT MUCH HAS BEEN ACCOMPLISHED. THE AFGHAN PEOPLE HAVE DEMONSTRATED TO THE SOVIET UNION THAT THEY WILL NOT AND CANNOT BE CONQUERED. WE HAVE SEEN IN RECENT MONTHS THE STIRRING OF A BELATED SOVIET RECOGNITION THAT THEY MUST, IN SOME WAY, END THEIR PREOCCUPATION WITH A MILITARY SOLUTION, AND COME TO GRIPS WITH THE REALITY OF AFGHAN NATIONALISM. WE HAVE, HOWEVER, YET TO SEE CONVINCING EVIDENCE THAT THE SOVIETS HAVE STEPPED UP TO THE HARD DECISIONS WHICH WILL BE REQUIRED TO BRING ABOUT A POLITICAL SETTLEMENT. THERE IS HOPE TODAY THAT A POLITICAL SOLUTION CAN BE ACHIEVED, BUT, IF THAT HOPE IS TO BE REALIZED, WE AND OTHER SUPPORTERS OF THE AFGHAN CAUSE MUST DEMONSTRATE THAT WE WILL STAY THE COURSE. THIS IS, FOR US, NOT JUST A POLITICAL OBLIGATION, BUT A MORAL OBLIGATION AS WELL.

NO LESS THAN IN 1981, PAKISTAN REMAINS VITAL TO THE PROSECUTION OF AN EFFECTIVE POLICY OF OPPOSITION TO SOVIET

EXPANSIONISM IN AFGHANISTAN. PAKISTAN REMAINS ON THE FRONT LINES, A VICTIM OF INCREASING AIR AND GROUND ATTACKS ACROSS ITS BORDERS, AS WELL AS OF TERRORIST BOMBINGS AND SABOTAGE WITHIN. PAKISTAN CONTINUES TO PROVIDE COMPASSIONATE REFUGE FOR NEARLY THREE MILLION AFGHANS WHO CONTINUE TO FLEE THE DEVASTATION IN THEIR OWN COUNTRY. PAKISTAN'S LEADERSHIP IN RALLYING WORLD OPINION AGAINST THE SOVIET OCCUPATION REMAINS AS IMPORTANT AS EVER. AND PAKISTAN'S COMMITMENT TO A NEGOTIATED SOLUTION CONTINUES TO BE DEMONSTRATED THROUGH PARTICIPATION IN THE GENEVA TALKS ABLY LED BY THE UN SECRETARY GENERAL'S SPECIAL REPRESENTATIVE DIEGO CORDOVEZ, AS WELL AS IN AN INTENSIFIED DIALOGUE CONDUCTED DIRECTLY WITH THE SOVIET UNION. THESE ARE, OF COURSE, PAKISTAN'S POLICIES, PURSUED BECAUSE THEY ARE CLEARLY IN PAKISTAN'S OWN NATIONAL INTEREST, BUT OUR SUPPORT HELPS REINFORCE PAKISTAN'S PRINCIPLED STAND. CONGRESSIONAL ACTION ON THE ADMINISTRATION'S PROPOSALS WILL PROVIDE A TIMELY REMINDER THAT WE SHARE THE OBJECTIVES OF PAKISTAN'S POLICIES.

THE PROPOSED ASSISTANCE PROGRAM

THE TOTAL VALUE OF THE PROPOSED NEW PROGRAM OF ECONOMIC AND SECURITY ASSISTANCE IS \$4.02 BILLION, SPREAD IN EQUAL ANNUAL INCREMENTS OVER SIX YEARS. OUT OF CONSIDERATION FOR PAKISTAN'S DEBT POSITION, THE TERMS OF BOTH THE ECONOMIC AND THE SECURITY ASSISTANCE PROPOSED WOULD BE MORE CONCESSIONAL THAN IN THE

CURRENT PROGRAM. AND, IN ACCORDANCE WITH THE PREFERENCES OF PAKISTAN'S CIVILIAN LEADERSHIP, AND IN CONTRAST WITH THE 50-50 SPLIT BETWEEN ECONOMIC AND SECURITY ASSISTANCE IN THE CURRENT PROGRAM, SOME 57% OF THE PROPOSED NEW PACKAGE WILL BE DEVOTED TO ECONOMIC ASSISTANCE, WITH 43% DEVOTED TO CONCESSIONAL FMS CREDITS.

THE PROJECTED ANNUAL LEVELS OF COMBINED AID, \$670 MILLION, ARE NOT SIGNIFICANTLY HIGHER THAN THOSE UNDER THE PRESENT PROGRAM. INDEED, THE PROPOSED ANNUAL FMS COMPONENT (\$250 MILLION) WOULD ACTUALLY BE LOWER THAN CURRENT LEVELS. THE HIGHER CONCESSIONALITY, HOWEVER, LARGELY OFFSETS THE REDUCTION IN LEVELS, AND IN VIEW OF THE NEED TO AVOID ADDING FURTHER BURDENS TO PAKISTAN'S DEBT SERVICE, WE PLAN TO CONTINUE PROVIDING SUCH CONCESSIONAL FINANCING. WHILE THE CONGRESS IS REQUESTED TO AUTHORIZE FUNDS ONLY FOR THE NEXT TWO FISCAL YEARS, WE SEEK YOUR SUPPORT IN THE CONTEXT OF THE LARGER MULTI-YEAR PROGRAM AGREED TO WITH THE PAKISTAN GOVERNMENT. THE ADMINISTRATION'S COMMITMENT TO PAKISTAN IS, OF COURSE, ONE OF "BEST EFFORTS", THAT IS, TO SEEK FROM THE CONGRESS ANNUAL APPROPRIATIONS IN THE AGREED AMOUNTS.

PAKISTAN HAS USED OUR ECONOMIC AND SECURITY ASSISTANCE OVER THE PAST SIX YEARS TO GOOD EFFECT:

-- MAJOR ADVANCES HAVE BEEN MADE IN AGRICULTURE AND RURAL DEVELOPMENT, HEALTH AND FAMILY PLANNING, AND ENERGY. FOREIGN EXCHANGE RESOURCES HAVE BEEN PROVIDED TO HELP MEET THE DEMANDS OF ECONOMIC LIBERALIZATION AND ACCOMPANYING STRUCTURAL CHANGE. AND IMPORTANT RESOURCES HAVE BEEN ALLOCATED TO INTEGRATE THE POOR BUT STRATEGICALLY IMPORTANT WESTERN BORDER AREAS OF THE COUNTRY INTO THE ECONOMY.

-- OUR SECURITY ASSISTANCE HAS HELPED PAKISTAN TO UNDERTAKE A LIMITED, BUT LONG OVERDUE MODERNIZATION OF ITS ARMED FORCES, WITH SPECIAL REFERENCE TO IMPROVING CAPABILITIES TO DETER AND DEFEAT THREATS EMANATING FROM AFGHANISTAN. THE CENTERPIECE OF THIS PROGRAM HAS BEEN THE ACQUISITION OF 40 F-16 INTERCEPTORS TO BEEF UP PAKISTAN'S AIR DEFENSE CAPABILITIES; OTHER IMPROVEMENTS HAVE INCLUDED GROUND-BASED AIR DEFENSE RADARS AND ANTI-AIRCRAFT MISSILES (SIDEWINDERS AND STINGERS). UPGRADES HAVE ALSO BEEN UNDERTAKEN TO IMPROVE MOBILITY (HELICOPTERS, RECONDITIONED M-48 TANKS, APCs, AND SELF-PROPELLED ARTILLERY) AND FIREPOWER (ARTILLERY TUBES AND ROUNDS, ANTI-TANK AND ANTI-SHIP MISSILES, ETC.).

MY COLLEAGUE, MR. NORRIS, WILL DESCRIBE IN SOME DETAIL THE PROGRAM OF ECONOMIC ASSISTANCE WHICH WE HAVE BEEN DISCUSSING WITH PAKISTAN FOR THE FOLLOW-ON PERIOD, AS WELL AS THE INTENSIFIED DIALOGUE WE ARE CONDUCTING ON ECONOMIC POLICY

ISSUES. I WOULD LIKE TO SUMMARIZE BRIEFLY THE MAJOR OBJECTIVES WHICH WE FORESEE FOR OUR SECURITY ASSISTANCE COOPERATION OVER THE COMING SIX YEARS.

PAKISTAN'S MILITARY MODERNIZATION NEEDS REMAIN FORMIDABLE: ITS INVENTORIES ARE HEAVILY DOMINATED BY AGING CHINESE AND FRENCH EQUIPMENT. PURCHASES UNDERTAKEN WITH OUR FMS CREDITS HAVE CONTRIBUTED TO LIMITED MODERNIZATION OF SOME KEY AREAS. IN MEETINGS OF THE US-PAKISTAN CONSULTATIVE GROUP, WE HAVE DISCUSSED WITH THE PAKISTANIS THE CONTINUATION OF THIS LIMITED MODERNIZATION PROGRAM. WE AND THEY ARE IN THE PROCESS OF IDENTIFYING WHICH OF THEIR HIGH PRIORITY NEEDS THEY HOPE TO SATISFY WITH THE FMS CREDITS PROPOSED UNDER THE FOLLOW-ON PROGRAM. THIS INVOLVES HARD CHOICES FOR THEM. FOR THEIR MATERIEL NEEDS COST OUT MUCH HIGHER THAN THEIR OWN RESOURCES OR THOSE LIKELY TO BE AVAILABLE FROM OTHERS WILL COVER.

WE CERTAINLY ANTICIPATE THEY WILL OPT FOR CONTINUATION OF OUR PARTNERSHIP IN INDUSTRIAL COOPERATION, SINCE IT CONTRIBUTES TO PAKISTANI SELF-SUFFICIENCY. WE WOULD ANTICIPATE FURTHER PURCHASES AIMED AT IMPROVING THEIR AIR DEFENSE CAPABILITIES. AIR DEFENSE WAS A BIG PART OF THE FIRST PROGRAM, AND SOME TYPE OF AN AIRBORNE EARLY WARNING SYSTEM COULD BE A MAJOR ELEMENT PROPOSED FOR THE FOLLOW-ON PROGRAM, ESPECIALLY IN VIEW OF THE MOUNTING THREAT ON THE AFGHANISTAN FRONTIER. OTHER ITEMS WOULD

LIKELY INCLUDE AIR-TO-AIR AND GROUND-TO-AIR MISSILES AND A SMALL NUMBER OF F-15B AIRCRAFT, TO ROUND OUT THREE SQUADRONS.

BEYOND THESE GENERAL CATEGORIES, MUCH STILL REMAINS TO BE DECIDED. THE PAKISTAN ARMY REQUIRES ADDITIONAL MOBILITY AND FIREPOWER SYSTEMS SUCH AS THOSE PROVIDED IN THE 1981 PROGRAM; THE PAKISTAN NAVY IS LOOKING FOR AN IMPROVEMENT IN MARITIME RECONNAISSANCE; AND THE PAKISTAN AIR FORCE IS HOPEFUL THAT AN INEXPENSIVE FIGHTER CAN BE EVOLVED THROUGH THE MARRIAGE OF CHINESE MIG-21 (F-7) AIRFRAMES WITH US ENGINES AND AVIONICS. ALTHOUGH WE HAVE AUTHORIZED A US COMPANY TO UNDERTAKE A FEASIBILITY STUDY ON THIS LATTER PROPOSAL, WE HAVE RESERVED JUDGMENT ON WHETHER WE WILL SUPPORT SUCH A PROGRAM UNTIL AFTER THE FEASIBILITY STUDY IS COMPLETED.

CONSIDERABLE PUBLIC ATTENTION HAS ATTENDED THE POSSIBLE ACQUISITION BY PAKISTAN OF AN AIRBORNE EARLY WARNING (AEW) SYSTEM. OUR MILITARY EXPERTS CONSIDER THAT STRENGTHENING PAKISTAN'S AIR DEFENSE CAPABILITIES ON THE AFGHAN FRONTIER SHOULD BE GIVEN HIGH PRIORITY IN THE PROPOSED FOLLOW-ON PROGRAM. A DETAILED STUDY BY A JOINT US-PAKISTAN MILITARY TEAM CONCLUDED THAT AN AEW PLATFORM WOULD PROVIDE PAKISTAN WITH THE CAPABILITY TO ANTICIPATE ATTACKS EMERGING FROM BEHIND THE MOST MOUNTAINOUS PARTS OF THE FRONTIER WITH AFGHANISTAN AND IN MEETING THOSE THREATS EFFECTIVELY WITH THE LIMITED AIR ASSETS

AT ITS COMMAND. ACQUISITION OF AN APPROPRIATE AEW SYSTEM IS THE NEXT LOGICAL STEP IN THE STEADY BUILDUP IN PAKISTAN'S AIR DEFENSE CAPABILITIES FINANCED IN OUR FIRST FMS PROGRAM. WHILE WE RECOGNIZE AND TAKE INTO ACCOUNT INDIA'S SERIOUS CONCERNS REGARDING PAKISTAN'S ACQUISITION OF SUCH A SYSTEM, WE CANNOT IGNORE THE OBVIOUS NEED ON THE AFGHAN FRONTIER AT A TIME WHEN COMMUNIST AIRCRAFT PROVOCATIONS ARE STEADILY INCREASING. THE PROCESS OF EVALUATING AVAILABLE SYSTEMS IS CONTINUING, BUT NO DECISION HAS BEEN MADE AT THIS TIME.

THE NUCLEAR ISSUE

MR. CHAIRMAN, THE ADMINISTRATION HAS ASKED THE CONGRESS NOT ONLY TO PROVIDE ECONOMIC AND SECURITY ASSISTANCE TO PAKISTAN, BUT ALSO TO TAKE ACTION TO EXTEND THE PRESIDENT'S AUTHORITY TO WAIVE EXISTING SANCTIONS WHICH WOULD OTHERWISE PRECLUDE THE CONTINUATION OF ASSISTANCE TO PAKISTAN. NO ISSUE IN SOUTH ASIA IS MORE IMPORTANT TO OUR NATIONAL INTERESTS THAN NUCLEAR NON-PROLIFERATION. WE DISCUSSED AND DEBATED THIS MATTER AT LENGTH IN 1981. WE -- THE CONGRESS AND THE ADMINISTRATION -- REACHED CERTAIN CONCLUSIONS AT THAT TIME, AND ACTED ON THOSE CONCLUSIONS IN EMBARKING ON A RENEWAL OF OUR SECURITY ASSISTANCE RELATIONSHIP WITH PAKISTAN. IT IS TIMELY TO ADDRESS THIS MATTER AGAIN, AND TO DECIDE HOW TO PROCEED.

AS WAS THE CASE IN 1981, WE CONTINUE TO HAVE VERY SERIOUS CONCERNS ABOUT THE NATURE AND DIRECTION OF PAKISTAN'S NUCLEAR PROGRAM. THE SUBCOMMITTEE HAS HEARD IN SOME DETAIL FROM THE INTELLIGENCE COMMUNITY ABOUT PAKISTAN'S CONTINUING ACTIVITIES IN THIS AREA. WHILE INDIA DOES NOT APPEAR TO HAVE AN ACTIVE NUCLEAR WEAPONS DEVELOPMENT PROGRAM, ITS 1974 NUCLEAR DETONATION CLEARLY DEMONSTRATES THAT IT COULD BUILD NUCLEAR ARMS ON SHORT NOTICE, WERE IT TO MAKE A POLITICAL DECISION TO DO SO. THE PROSPECT OF A REGIONAL NUCLEAR ARMS RACE, AND THE POSSIBILITY THAT FUTURE REGIONAL CRISES COULD BE INTENSIFIED BY FEAR OF AMBIGUOUS NUCLEAR CAPABILITIES ON BOTH SIDES, CONTINUE TO THREATEN SOUTH ASIA.

NO NATION HAS WORKED HARDER THAN THE US TO PREVENT THE SPREAD OF NUCLEAR WEAPONS TO OR IN SOUTH ASIA. WE RECOGNIZE THAT A STRONG NON-PROLIFERATION POLICY IS IMPORTANT TO OUR OWN NATIONAL SECURITY AS WELL AS TO REGIONAL STABILITY. THE NUCLEAR ISSUE HAS THEREFORE HAD THE HIGHEST PRIORITY IN OUR RELATIONSHIP WITH PAKISTAN, AND WE HAVE RAISED OUR CONCERNS ABOUT PAKISTANI NUCLEAR ACTIVITIES WITH THAT COUNTRY'S LEADERS AT EVERY OPPORTUNITY. WE HAVE MADE VERY CLEAR TO THEM THAT PROVISION OF US SECURITY ASSISTANCE REQUIRES PAKISTANI RESTRAINT IN ITS NUCLEAR DEVELOPMENT PROGRAM. WE HAVE PRESSED PAKISTAN NOT ONLY ON THE BROAD IMPLICATIONS OF ITS NUCLEAR POLICIES, BUT ON SPECIFIC ACTIVITIES THAT PRESENT US WITH

PARTICULAR PROBLEMS. MOREOVER, THE UNITED STATES GOVERNMENT, IN COOPERATION WITH OTHER SUPPLIER COUNTRIES, HAS PREVENTED NUMEROUS EXPORTS TO PAKISTAN THAT WOULD HAVE CONTRIBUTED SIGNIFICANTLY TO ITS NUCLEAR CAPABILITY. THERE CAN BE NO DOUBT THAT THE GOVERNMENT OF PAKISTAN UNDERSTANDS THE STRENGTH OF THE US COMMITMENT TO NON-PROLIFERATION, AS WELL AS THE DEPTH OF CONCERN FELT ON THIS ISSUE IN CONGRESS.

IT WOULD BE A MISTAKE, IN MY VIEW, TO CONCLUDE THAT OUR NON-PROLIFERATION EFFORTS HAVE BEEN INEFFECTIVE, OR THAT OUR POLICIES HAVE FAILED. WHILE PAKISTAN APPEARS TO HAVE ACQUIRED MUCH OF WHAT IT NEEDS TO BUILD NUCLEAR WEAPONS, OUR ASSESSMENT REMAINS -- AS THE PRESIDENT CERTIFIED IN OCTOBER 1986 -- THAT IT "DOES NOT POSSESS A NUCLEAR EXPLOSIVE DEVICE" AND THAT US ASSISTANCE REDUCES "SIGNIFICANTLY THE RISK THAT PAKISTAN WILL POSSESS A NUCLEAR EXPLOSIVE DEVICE." WE BELIEVE THIS SITUATION REFLECTS PAKISTANI AWARENESS THAT ACQUISITION OF NUCLEAR WEAPONS WOULD MEAN THE END OF THE US ASSISTANCE PROGRAM.

IT MAY ALSO BE USEFUL TO RECALL SOME OF THE CONCERNS WE HAD IN 1982 AS OUR CURRENT ASSISTANCE PROGRAM WAS GETTING UNDER WAY. AT THAT TIME, IT WAS WIDELY SPECULATED THAT PAKISTAN MIGHT UNDERTAKE UNSAFEGUARDED REPROCESSING, VIOLATE SAFEGUARDS AT ITS KANUPP REACTOR, PROCEED TO A NUCLEAR TEST, OR EVEN TRANSFER NUCLEAR WEAPONS TECHNOLOGY TO ANOTHER COUNTRY. NONE OF THESE FEARS HAVE MATERIALIZED.

WE SHOULD NOT UNDERESTIMATE THE IMPORTANCE OF THIS EVIDENCE OF RESTRAINT. WHILE INDIA IS DEEPLY CONCERNED ABOUT PAKISTAN'S NUCLEAR PROGRAM, IT HAS SO FAR NOT FELT COMPELLED TO RESPOND BY ACQUIRING NUCLEAR WEAPONS ITSELF. PERHAPS REFLECTING CONCERNS VOICED BY THE US AND OTHERS, PAKISTAN ITSELF HAS PUBLICLY DISCLAIMED ANY INTEREST IN BUILDING NUCLEAR WEAPONS.

WHERE DO WE GO FROM HERE IN OUR NON-PROLIFERATION EFFORTS IN SOUTH ASIA? IN OUR VIEW, CONTINUATION OF ALL US AID PROGRAMS TO PAKISTAN IS AS ESSENTIAL TO ACCOMPLISHMENT OF OUR NON-PROLIFERATION GOALS AS IT IS TO PURSUIT OF OUR REGIONAL SECURITY STRATEGY. WHATEVER INFLUENCE WE HAVE OVER THE THRUST AND DIRECTION OF PAKISTAN'S NUCLEAR ACTIVITIES DERIVES FROM OUR STRONG SECURITY LINKS. WE HAVE BEEN DOWN THE CUT-OFF ROAD BEFORE AND KNOW THAT ANY ACTION WHICH WOULD CUT OFF, CURTAIL, OR CAST DOUBT ON THE CONTINUATION OF OUR ASSISTANCE WOULD BE COUNTER-PRODUCTIVE, BECAUSE IT WOULD GRIEVOUSLY UNDERCUT OUR INFLUENCE OVER PAKISTAN'S NUCLEAR DECISION-MAKING. WE THEREFORE URGE THE CONGRESS TO ACT FAVORABLY ON OUR REQUEST TO EXTEND FOR THE DURATION OF OUR FOLLOW-ON AID PACKAGE THE AUTHORIZATION PROVIDED IN SECTION 620E OF THE FOREIGN ASSISTANCE ACT TO WAIVE THE SYMINGTON AMENDMENT SANCTIONS THAT WOULD OTHERWISE APPLY TO PAKISTAN.

FOR THE LONG TERM, WE BELIEVE THAT ANY LASTING SOLUTION TO THE SOUTH ASIAN NUCLEAR PROBLEM WOULD BEST BE IN THE FORM OF AN

UNDERSTANDING WHICH WOULD DEFINITELY AND DECISIVELY FOREGO THE ACQUISITION OF NUCLEAR WEAPONS FOR ALL STATES IN THE REGION. WE HAVE MADE ENERGETIC EFFORTS TO ENCOURAGE A DIALOGUE BETWEEN INDIA AND PAKISTAN THAT COULD LEAD TO SUCH AN UNDERSTANDING. THE INFORMAL AGREEMENT OF DECEMBER 1985 BETWEEN PRESIDENT ZIA AND PRIME MINISTER GANDHI AGAINST ATTACKS ON NUCLEAR FACILITIES IS A POSITIVE STEP IN THIS DIRECTION. WE WILL CONTINUE TO URGE CONSIDERATION OF ADDITIONAL CONFIDENCE-BUILDING MEASURES OF THIS SORT, AND WILL ASK OTHER NATIONS TO JOIN US IN THIS ENDEAVOR.

IN THIS CONTEXT, WE WOULD NOTE THAT PAKISTAN HAS PUT FORWARD A NUMBER OF IDEAS FOR FAR-REACHING NON-PROLIFERATION STEPS, INCLUDING NPT ADHERENCE OR SAFEGUARDS ON ALL REGIONAL NUCLEAR FACILITIES, CONDITIONED ON INDIAN AGREEMENT TO TAKE PARALLEL ACTION. WE BELIEVE IT WOULD BE IN INDIA'S OWN INTEREST TO RESPOND TO THESE PAKISTANI PROPOSALS, OR TO PUT FORWARD IDEAS OF ITS OWN IF IT IS UNABLE TO ACCEPT THOSE PROPOSED BY PAKISTAN.

ULTIMATELY, IT IS THE PEOPLE OF SOUTH ASIA THEMSELVES WHO MUST BEAR THE RESPONSIBILITY FOR DECIDING WHETHER THEY WILL LIVE UNDER THE SHADOW OF A REGIONAL NUCLEAR ARMS RACE. TECHNICAL ACCOMPLISHMENTS MAY BE CREATING NUCLEAR WEAPONS OPTIONS FOR INDIA AND PAKISTAN, BUT IT IS BY NO MEANS

INEVITABLE THAT THOSE OPTIONS WILL BE EXERCISED. THE FUTURE PEACE AND STABILITY OF SOUTH ASIA MAY DEPEND ON WHETHER THE LEADERS AND PUBLICS IN BOTH COUNTRIES ARE WILLING TO UNDERTAKE A SERIOUS AND REALISTIC EXAMINATION OF THE IMPLICATIONS OF THEIR GROWING NUCLEAR CAPABILITIES. THE RECENT SPEECH BY AMBASSADOR DEANE HINTON IN ISLAMABAD WAS AN INVITATION TO JUST SUCH A SOBER PUBLIC DIALOGUE. WE HAVE THOUGHT DEEPLY ABOUT THIS MATTER AND ARE CONFIDENT IN OUR OWN CONCLUSION THAT NUCLEAR WEAPONS WOULD STRENGTHEN THE SECURITY OF NEITHER COUNTRY, AND WOULD ONLY INTRODUCE A NEW AND FRIGHTENING ELEMENT OF RISK, FEAR, AND INSTABILITY TO THE SOUTH ASIAN REGION.

NARCOTICS

ANOTHER IMPORTANT U.S. NATIONAL INTEREST WHICH WE HAVE SOUGHT TO PURSUE MORE EFFECTIVELY IN THE CONTEXT OF OUR RENEWED ASSISTANCE RELATIONSHIP WITH PAKISTAN HAS BEEN THE CONTROL OF NARCOTICS PRODUCTION AND TRAFFICKING. THE SUBCOMMITTEE HAS HEARD DETAILED TESTIMONY ON THIS SUBJECT EARLIER IN THE WEEK. LET ME, THEREFORE, SUMMARIZE VERY BRIEFLY.

THROUGHOUT THIS DECADE, THE GOVERNMENT OF PAKISTAN HAS WORKED DILIGENTLY WITH US TO REDUCE THE SIZE OF THE OPIUM CROP. THE REDUCTIONS HAD BEEN SUBSTANTIAL, WITH THE CROP SIZE DECREASING FROM AS MUCH AS 800 TONS IN 1979 TO 45 TONS IN

1984. UNFORTUNATELY, OPIUM PRODUCTION TOOK AN UPTURN IN 1985, AND REACHED BETWEEN 130 AND 160 METRIC TONS IN 1986. THIS RELAPSE WAS IN PART THE RESULT OF SHARPLY INCREASED DEMAND AT HOME, BUT IN PART ALSO THE RESULT OF THE CHANGEOVER FROM MARTIAL LAW TO CIVILIAN GOVERNMENTS RELUCTANT TO CARRY OUT POLITICALLY UNPOPULAR ERADICATION EFFORTS IN THE FACE OF ARMED GROWER OPPOSITION.

PAKISTANI AUTHORITIES HAVE LEARNED FROM THIS DIFFICULT EXPERIENCE AND HAVE MOVED AGGRESSIVELY TO REGAIN LOST GROUND. THEY HAVE MOUNTED A MAJOR MEDIA CAMPAIGN AGAINST DRUGS, AND OPIUM GROWERS HAVE BEEN PUT ON NOTICE THAT CROPS WILL BE DESTROYED -- BY AERIAL ERADICATION IF NECESSARY. THE AERIAL SPRAYING PROGRAM IS BEING UNDERTAKEN WITH FINANCIAL AND TECHNICAL SUPPORT FROM THE UNITED STATES.

THE UNITED STATES PROVIDES CONSIDERABLE ASSISTANCE IN THE IMPLEMENTATION OF DEVELOPMENT PROJECTS IN TRADITIONAL POPPY GROWING AREAS IN ORDER TO GIVE FARMERS AN ALTERNATIVE MEANS OF LIVELIHOOD. OUR LAW ENFORCEMENT COOPERATION, WHICH IS DIRECTED AT INTERDICTION OF TRAFFICKING AND MORE EFFECTIVE PROSECUTION OF NARCOTICS OFFENDERS, CONTINUES TO GROW STRONGER. GIVEN PAKISTAN'S NETWORK OF PROGRAMS TO ATTACK NARCOTICS PRODUCTION AND TRAFFICKING AND ITS DEMONSTRATED WILLINGNESS TO INTRODUCE NEW STRATEGIES AND TO DEVOTE ADDITIONAL RESOURCES AS THE

PROBLEM BECOMES MORE COMPLEX. THE ADMINISTRATION HAS CERTIFIED THAT PAKISTAN CAN CONTINUE TO RECEIVE US ASSISTANCE, AS REQUIRED BY THE ANTI-DRUG ABUSE ACT OF 1986.

HUMAN RIGHTS AND DEMOCRACY

OUR ASSISTANCE PROGRAMS HAVE PROVIDED ESSENTIAL SUPPORT AND ENCOURAGEMENT TO PAKISTAN AS THAT NATION HAS MOVED THROUGH A REMARKABLE DEMOCRATIC EVOLUTION. A TRANSITION THAT HAS BROUGHT FUNDAMENTAL CHANGE TO THE COUNTRY'S POLITICAL LANDSCAPE. AS THE SUBCOMMITTEE IS AWARE, THIS ADMINISTRATION BELIEVES, IN PAKISTAN AS ELSEWHERE, THAT STABILITY AND ECONOMIC PROGRESS ARE BEST ASSURED BY THE FULL, DEMOCRATIC PARTICIPATION OF THE PEOPLE IN THEIR GOVERNMENT. WE ARE THUS VERY PLEASED AND ENCOURAGED BY THE EVENTS OF THE PAST YEAR, IN PARTICULAR THE LIFTING OF MARTIAL LAW AND RESTORATION OF THE CONSTITUTION OF 1973. THE ELECTED MEMBERS OF PAKISTAN'S NATIONAL ASSEMBLY, ALONG WITH THEIR COLLEAGUES IN THE PROVINCIAL ASSEMBLIES, ARE NOW RESPONSIBLE FOR THE NATION'S AFFAIRS. PRESIDENT ZIA REMAINS AS PRESIDENT AND CHIEF OF ARMY STAFF, WITH ALL OF THE AUTHORITY WHICH THESE OFFICES ENTAIL, BUT THE ARMY HAS RETURNED TO THE BARRACKS, AND CIVILIAN POLITICIANS ARE IN CHARGE OF THE DAY-TO-DAY BUSINESS OF GOVERNMENT.

ALL THOSE INVOLVED IN THE POLITICAL PROCESS, WHETHER THEY BE SUPPORTERS OF THE GOVERNMENT OR RANGED IN OPPOSITION AGAINST

IT. HAVE HAD TO LEARN HOW TO PLAY THE GAME OF POLITICS UNDER NEW CONDITIONS AND CHANGED RULES. THE MAJOR CHALLENGE TO THE GOVERNMENT HAS COME FROM THE PAKISTAN PEOPLES PARTY (PPP), UNDER THE LEADERSHIP OF BENAZIR BHUTTO. SINCE HER RETURN TO PAKISTAN IN MAY OF LAST YEAR, MISS BHUTTO HAS CALLED FOR THE REMOVAL OF PRESIDENT ZIA AND NEW ELECTIONS TO PERMIT THE OPPOSITION PARTIES, WHICH SAT OUT THE FEBRUARY 1985 ELECTION UNDER MARTIAL LAW, TO SEEK OFFICE.

THE THREAT OF POPULAR DISTURBANCES IN CONNECTION WITH INDEPENDENCE DAY RALLIES IN AUGUST 1986 LED TO A DIRECT CONFRONTATION BETWEEN THE PPP AND THE GOVERNMENT. A BRIEF SPASM OF VIOLENCE ENSUED, MAINLY IN BHUTTO'S HOME PROVINCE OF SIND, AND SOME POLITICAL ACTIVISTS -- BHUTTO INCLUDED -- WERE DETAINED, SOME FOR AS LONG AS THE 30 DAYS THE LAW ALLOWS. THE AUGUST EVENTS APPEAR TO HAVE BEEN CHASTENING FOR BOTH SIDES. WHILE THE PPP AND ITS OPPOSITION PARTY ALLIES CONTINUE TO SEEK EARLY ELECTIONS, THEY NOW APPEAR CONTENT TO PURSUE THIS END WITHOUT ENGAGING IN CONFRONTATIONAL TACTICS.

MEANWHILE, PRIME-MINISTER JUNEJO'S PAKISTAN MUSLIM LEAGUE (PML) GOVERNMENT HAS INDICATED THAT IT EXPECTS TO CONTINUE IN POWER THROUGH ITS ENTIRE TERM OF FIVE YEARS. ALTHOUGH, AS IN ALL SYSTEMS BASED ON THE WESTMINSTER MODEL, ELECTIONS CAN BE HELD AT ANY TIME SHORT OF THEN. JUNEJO HAS ANNOUNCED THAT THE

1990 ELECTIONS WILL BE PARTY-BASED, UNLIKE THE 1985 POLLS. SOME, BUT NOT ALL THE OPPOSITION PARTIES HAVE COMPLIED WITH THE DISCLOSURE REQUIREMENTS OF THE POLITICAL PARTIES ACT.

SOME PAKISTANIS HAVE SOUGHT TO DRAW THE UNITED STATES INTO THE LIVELY INTERNAL DEBATE OVER THE TIMING OF THE NEXT GENERAL ELECTION. WE HAVE REITERATED OUR SUPPORT FOR THE DEMOCRATIC PROCESS, BUT MADE CLEAR OUR BELIEF THAT THE TIMING OF ELECTIONS IS A MATTER FOR PAKISTANIS THEMSELVES TO DECIDE.

REGARDING OTHER ASPECTS OF HUMAN RIGHTS IN PAKISTAN, THE RETURN OF CONSTITUTIONAL GOVERNMENT HAS SPEEDED UP THE IMPROVEMENT ALREADY EVIDENT AT THE END OF THE MARTIAL LAW PERIOD -- AS WE HAVE NOTED IN THE RECENT HUMAN RIGHTS REPORT WE SUBMITTED TO THE CONGRESS. AT BOTH THE FEDERAL AND THE PROVINCIAL LEVELS, REPRESENTATIVE POLITICAL INSTITUTIONS ARE FUNCTIONING, JUDICIAL INDEPENDENCE HAS BEEN REESTABLISHED, AND FUNDAMENTAL CIVIL AND HUMAN RIGHTS ARE NOW PROTECTED. THE PRESS IS FREE, DIVERSE, AND LIVELY, AND SOMETIMES HARSHLY CRITICAL OF GOVERNMENT POLICIES. MINORITIES ARE REPRESENTED BY LAW, AND RELIGION IS FREE, ALTHOUGH THE FOLLOWERS OF THE AHMADI SECT, LEGALLY DECLARED NON-MUSLIM AND REGARDED AS HERETICAL BY BOTH SHIA AND SUNNI MUSLIMS, HAVE BEEN SUBJECTED TO DISCRIMINATION AND VIOLENCE. WE HAVE, PRINCIPALLY IN PRIVATE, EXPRESSED OUR SERIOUS CONCERNS REGARDING ASPECTS OF THE

TREATMENT OF PAKISTAN'S AHMADI CITIZENS. AND WILL CONTINUE TO DO SO.

DISTURBANCES RELATED TO ETHNIC AND REGIONAL STRESSES HAVE RAISED OTHER HUMAN RIGHTS CONCERNS OVER THE PAST YEAR. THESE GENERALLY REFLECT LONG-STANDING PROBLEMS WHICH HAVE BEEN EXACERBATED BY PRESSURES RELATED TO THE AFGHAN CONFLICT, INCLUDING THE EASY AVAILABILITY OF MODERN WEAPONRY. HIGHWAYMEN HAVE MADE TRAVEL DANGEROUS IN PARTS OF RURAL SIND. AND AFGHAN REGIME INSPIRED BOMBINGS IN THE FRONTIER AREAS CONTINUE TO POSE UNSETTLING PROBLEMS. DECEMBER'S ETHNIC CLASHES IN KARACHI PITTED PAKISTANI PATHANS (NOT AFGHAN REFUGEES) AGAINST MOHAJIRS (ORIGINALLY IMMIGRANTS FROM WHAT IS NOW INDIA) IN DISTURBANCES RELATED PRIMARILY TO ECONOMIC COMPETITION. THE JUNEJO GOVERNMENT HAS REACTED TO THESE VARIOUS CHALLENGES WITH A COMBINATION OF FIRMNESS AND CONSTITUTIONAL RESTRAINT, AND WITH FULL DEBATE IN THE NATION'S LEGISLATIVE BODIES AND PRESS.

THE REGIONAL CONTEXT

THE POLICIES AND PROGRAMS DESCRIBED ABOVE DO NOT STAND BY THEMSELVES. THEY ARE CONCEIVED AND EXECUTED IN A LARGER REGIONAL CONTEXT WHICH SHOULD BE BRIEFLY NOTED. I HAVE ALREADY ALLUDED TO THE OUR CONCERNS WITH THE SOVIET PRESENCE IN AFGHANISTAN AND TO THE VITAL CONNECTION BETWEEN OUR SUPPORT FOR

PAKISTAN AND OUR DETERMINATION TO SEE AFGHANISTAN ONCE AGAIN FREE. OUR IMPORTANT PROGRAMS OF HUMANITARIAN ASSISTANCE FOR THE AFGHAN PEOPLE WERE BRIEFLY OUTLINED IN SECRETARY MURPHY'S TESTIMONY TO THE SUBCOMMITTEE LAST WEEK. MR. MURPHY ALSO DESCRIBED OUR IMPROVING RELATIONS WITH INDIA, BUT THAT IMPORTANT CONCERN ALSO DESERVES MENTION TODAY.

SINCE 1981, THE UNITED STATES HAS SOUGHT TO PUT ITS RELATIONS WITH BOTH INDIA AND PAKISTAN ON A SOUNDER FOOTING. WE HAVE NOT ALLOWED OUR IMMEDIATE CONCERNS WITH THE THREAT POSED BY THE SOVIET PRESENCE IN AFGHANISTAN TO OBSCURE OUR UNDERSTANDING OF THE LONG-TERM IMPORTANCE OF INDIA TO THE REGION AND TO OUR INTERESTS THERE. WE HAVE BEEN GRATIFIED TO FIND THAT INDIA HAS RECIPROCATED OUR OWN DESIRE TO FIND AND BUILD A BASIS FOR BETTER RELATIONS. WE NEVER WANT TO BE PUT INTO A POSITION WHERE WE HAVE TO CHOOSE BETWEEN INDIA AND PAKISTAN, FOR THAT WOULD ENTAIL A CHOICE WHICH WOULD NOT SERVE OUR NATIONAL INTERESTS.

OUR APPROACHES TO THE TWO COUNTRIES ARE VERY DIFFERENT BECAUSE THE COUNTRIES THEMSELVES AND THEIR NEEDS ARE SO DIFFERENT. THEY FACE DIFFERENT THREATS, THEIR ECONOMIES ARE DIFFERENT, AND THEY WANT DIFFERENT THINGS FROM US. INDIA DOES NOT DESIRE A SECURITY RELATIONSHIP WITH US, BUT IT DOES SHARE OUR INTEREST IN IMPROVING THE INDO-AMERICAN DIALOGUE AND IN

ADDING CONTENT TO THE RELATIONSHIP, PARTICULARLY IN OBTAINING HIGH TECHNOLOGY AND MORE PRIVATE ECONOMIC COLLABORATION. A STRONGER INDO-US RELATIONSHIP SUPPORTS ACHIEVEMENT OF OUR OBJECTIVES ELSEWHERE IN THE REGION. JUST AS SECURITY ASSISTANCE TO PAKISTAN SUPPORTS WHAT WE BELIEVE TO BE INTERESTS OF THE ENTIRE REGION IN ELIMINATING THE SOVIET PRESENCE IN AFGHANISTAN.

I AM PREPARED TO RESPOND TO THE SUBCOMMITTEE'S QUESTIONS.